

Challenges & Opportunities for our Profession in Actuarially Developing Countries

Regulatory Issues

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A New Challenge for Actuaries

Overview

- Pressures for Regulatory Changes
- Regulatory Landscape
- International Association of Insurance Supervisors (IAIS)
- Regulatory Trends & Issues
- Challenges in Regulation
- Actuarial Challenges & Opportunities

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Pressures for Regulatory Changes

- Financial Convergence
- Increased Financial Instability
- Global Standards & Practice for Regulation
- Increased Market Discipline via Disclosure
- Consolidation & Globalization - Common Meaningful Reporting

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Regulatory Landscape

- Bank for International Settlement (BIS) - Basel Committee for Banking Supervision (BCBS)
- International Organisation of Securities Commissions (IOSCO)
- International Association of Insurance Supervisors (IAIS)
- Joint Forum
- Financial Stability Forum (FSF)
- International Accounting Standards Board (IASB)

International Association of Insurance Supervisors (IAIS)

- Formed 1994 - Youngest International Regulatory Body
- Global Insurance Principles, Standards & Guidance
- Training & Support on Insurance Supervision
- Over 100 Members & Over 50 Observers
- Executive Committee, 3 Main Committees, 11 Subcommittees, & Secretariat

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Regulatory Trends & Issues

- More Risk Sensitivity not Rules Based
- Strengthen Supervisory Oversight & Capacity
- Increased Reliance on Market Discipline
- Integrated Regulation
- More International Regulatory Cooperation
- International Solvency Requirements
- International Insurance Accounting Standard
- Reinsurance Regulation & Assessment

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Challenges in Regulation

- Balancing Globalization with Local Market
- Integrated Regulation v Sectoral Regulation
- Financial Safety v Competition, Innovation & Market Development
- Adequate & Quality Resources
- Regulatory Independence
- Preventative not Reactive Supervision

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Actuarial Challenges & Opportunities

- Modelling & Stochastic Approaches
- Improve Company Risk Management
- Contribute to Development of Regulatory Requirements
- Assist Supervisory Processes
- Develop & Promote Professional Standards of Practice
- Professional Market Commentator

